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### **OBEY IN TOWN FOR UPDATE ON PARK FALLS MILL** **MILL'S BIOREFINERY EFFORT A MODEL FOR THE COUNTRY**

PARK FALLS, WI – Seventh District Congressman Dave Obey (D-WI) today was briefed on the latest developments at the Flambeau River BioFuels (FRB) refinery. Over the years, Obey has secured over \$6 million for the refinery which is located near the Flambeau River Paper mill.

Those dollars have helped to develop a new production line for pulp and ethanol from wood, and to increase energy efficiency and convert a boiler to run on biomass instead of coal and natural gas. Subsequently, with Obey's support, the Department of Energy (DOE) approved \$30 million more in grant money for a demonstration biorefinery. Obey said the company is currently in negotiations with DOE to increase the grant amount to \$80 million and secure loan guarantees, in order to bring the demonstration project to a commercial stage. When completed, the refinery will produce green energy from forest residue -- steam, heat and electricity which would allow the paper mill to become the first fossil-fuel free mill of its kind in the nation.

The Park Falls mill, formerly known as SMART paper, narrowly avoided a permanent shuttering and the loss of more than 300 jobs brought on by high energy costs that ran over \$1 million per month which forced the company into bankruptcy. The mill was purchased by Johnson Timber President Bill Johnson, Jr. and William "Butch" Johnson became the CEO for the new company, Flambeau River Papers. Obey worked closely with Governor Doyle, the Johnsons, state and local officials, the community and the workers to overcome adversity and move forward in the face of a devastating economic blow.

"The Park Falls mill is a model for the country. This effort gives the community a way to keep and create more good jobs. Dealing with our energy and environmental problems does not mean losing jobs; this refinery project proves we can create thousands of good paying jobs where they are needed in Wisconsin while protecting our environment." He compared the public-private endeavor to a similar time of opportunity in Wisconsin's past. "I remember when the Clean Water Act passed and was signed into law. Opponents said it would cost the country

thousands of jobs. Instead, what happened was that innovative companies like Zimpro, started up business in Wausau, creating thousands of jobs producing the needed pollution-fighting equipment for all sorts of American companies,” Obey said.

“This is an exciting community effort and the timing could not be better,” Obey said “to show how we can create environmentally-friendly industries and good paying jobs in the State of Wisconsin and throughout the country; jobs that put money in people’s pockets and food on the table while protecting our planet.”

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